

STATEMENT OF INCOME AND EXPENSE OF VERMONT FINANCIAL INSTITUTIONS

For the Year Ended December 31, 2014 (000 Omitted)

	2 Mutual Financial Institutions	5 Investor Financial Institutions	7 Total Financial Institutions
<u>Interest Income</u>			
Loans	\$11,902	\$117,079	\$128,981
Lease Financing Receivables	0	0	0
U.S. Government and Agency Securities	0	5,283	5,283
Mortgage-Backed Securities	616	8,456	9,072
Other Securities	732	2,132	2,864
Assets Held in Trading Accounts	0	0	0
Federal Funds Sold and Securities Purchased Under Agreement to Resell	0	1	1
Interest on Balances Due From Depository Institutions	15	525	540
Other Interest Income	<u>41</u>	<u>336</u>	<u>377</u>
Total Interest Income	\$13,306	\$133,812	\$147,118
<u>Interest Expense</u>			
Deposits	\$1,126	\$10,721	\$11,847
Subordinated Notes and Debentures	0	0	0
Borrowed Funds	479	1,704	2,183
Federal Funds Purchased and Securities Sold Under Agreement to Repurchase	<u>0</u>	<u>508</u>	<u>508</u>
Total Interest Expense	\$1,605	\$12,933	\$14,538
<u>Net Interest Income</u>	\$11,701	\$120,879	\$132,580
Less Provisions for Loan Losses	<u>(529)</u>	<u>(1,876)</u>	<u>(2,405)</u>
<u>Net Interest Income After Loss Provisions</u>	\$11,172	\$119,003	\$130,175
<u>Other Operating Income</u>			
Service Charges, Commissions, & Fees	\$1,205	\$13,542	\$14,747
Other Income	1,180	20,787	21,967
<u>Other Operating Expense</u>			
Net Occupancy, Furniture, & Fixtures	\$1,429	\$18,636	\$20,065
Salaries and Benefits	6,254	61,305	67,559
Other Expenses	5,006	38,061	43,067
<u>Realized Securities Gains (Losses)</u>	527	2,244	2,771
<u>Other Gains (Losses)</u>	0	0	0
<u>Applicable Income Taxes</u>	<u>(9)</u>	<u>7,897</u>	<u>7,888</u>
<u>Net Income</u>	<u>\$1,404</u>	<u>\$29,677</u>	<u>\$31,081</u>
Net Worth December 31, 2013	\$32,813	\$373,114	\$405,927
Less Dividends to Stockholders	\$0	\$12,403	\$12,403
Other Changes to Net Worth	\$993	\$4,499	\$5,492
Net Worth December 31, 2014	\$35,210	\$394,887	\$430,097
Net Worth (Percent Change)	7.3%	5.8%	6.0%